

## **An Overview of Franklin County's 2015 Annual Trending May 12, 2015**

The following steps were taken to conduct the 2016 annual trending in Franklin County:

### **Step 1: Re-Delineation of Neighborhoods**

The vast majority of neighborhoods in Franklin County were completely re-examined and, where necessary, re-delineated for annual trending in 2006. Additional re-delineation of some neighborhoods has occurred each year thereafter as further analysis indicated such action was appropriate.

### **Step 2: Calculation of New Land Values\*\***

As required in the General Reassessment, new land values were established in July, 2011 and have been implemented since that time. No other changes have been made to the land order since that time, except in the neighborhoods where market data indicated the need for an adjustment.

### **Step 3: Calculation of New Residential Factors & Residential Studies\*\***

Franklin County implemented the new location cost multiplier and also updated the depreciation year from 2016 per the Department of Local Government Finance. Further, a preliminary ratio study was then conducted for improved residential properties at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. In some instances, especially in rural areas of Franklin County, the preliminary ratio study indicated that assessments were both accurate and uniform. In other neighborhoods, further review was required. Townships with less than 5 sales were grouped into combined stratum in order to create a sufficient sample size for ratio study calculations. In this case, the townships with less than 5 sales were grouped together by geographic location and similar improvement types, as has been the case historically. Posey, Laurel, Blooming Grove, Salt Creek, Metamora, and Butler Townships comprise the West grouping and Fairfield, Bath, Springfield, Highland, and Whitewater Townships are included in the East grouping for improved residential class. Brookville Township (which houses Brookville City) and Ray Township (which houses Batesville City) are stand-alone Townships in the ratio study.

### **Step 4: Updated Commercial & Industrial Improvement Values\*\***

Franklin County implemented the new location cost multiplier and also updated the depreciation year from 2016 per the Department of Local Government Finance.

**\*\*Please note that the period of time from which sales were used for this ratio study was from 1/1/2014 to 12/31/2015. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant residential and all commercial and all industrial property in Franklin County, insufficient usable sales data was yielded even when attempting to expand the sales window back to 2010 for calculating ratio study statistics. 2014 sales were used in the ratio study, but a need for time adjustment was not indicated from data analysis**